

A16 New York Times

11-20-81

EX-AGENT INDICTED IN WEAPONS SALES

Terpil, His Wife and Associate
Charged With Selling Arms
and Devices to Uganda

By GLENN FOWLER

Frank E. Terpil, a fugitive former intelligence agent who has been accused of selling arms to various authoritarian governments and terrorists, was indicted yesterday by a Federal grand jury on charges that he conspired to sell guns, ammunition and coding devices in 1979 to the now-defunct regime of President Idi Amin in Uganda.

Mr. Terpil, his wife, Marilyn, and an associate, Gary Korkala, all of whom are believed to be living in Beirut, Lebanon, are also charged in the indictment with conspiring to obtain false United States passports and other travel documents for a former high official of Iran under the late Shah Mohammad Reza Pahlavi.

The official is not named in the indictment, but sources in the United States Attorney's office in Manhattan identified him as Amir Farhang Momtaz, chief of protocol in Iran before the Shah's government was overthrown. Mr. Momtaz was arrested in Washington last year on charges he lied and used false documents when applying for a United States passport. The Federal authorities dropped the charges in September. If the Terpils and Mr. Korkala are tried on the charges, it is expected that Mr. Momtaz would testify, according to the Federal sources, who declined to be identified for publication.

Last year, Mr. Terpil was indicted with Edwin P. Wilson, another former intelligence agent, on charges that they shipped explosives to Libya in 1978 to be used in training terrorists and conspired to murder an opponent of the Libyan leader, Col. Muammar el-Qaddafi, in Egypt.

Wilson Still Working for Libya

Mr. Terpil and Mr. Wilson apparently have not worked together since 1978. Mr. Wilson continues to work for the Government of Libya, a militant North African nation.

Mr. Terpil was dismissed from the Central Intelligence Agency almost a decade ago after he was accused of misappropriation of funds and other misconduct.

Last year, Mr. Terpil and Mr. Korkala jumped bail rather than stand trial in New York on state charges that they accepted money from undercover agents as part of a scheme to supply arms to Latin American revolutionaries.

He and Mr. Korkala, an arms merchant, were convicted in 1980 on those charges.



Frank E. Terpil

to a maximum of five years with fines up to \$10,000. The passport fraud charge against Mrs. Terpil is punishable by five years in prison and a \$2,000 fine.

Mr. Terpil said in the "60 Minutes" interview that he would return to the United States to face earlier Federal charges involving shipping explosives to Libya if the New York State sentence of 53 years, which he called "totally out of proportion," was revoked or reduced substantially.

He and Mr. Korkala, an arms merchant, were convicted in absentia on those charges and each was sentenced to 53 years in prison. Subsequently they were tracked to Uganda, Libya, West Germany and Lebanon. Two weeks ago they recorded an interview in Beirut for the CBS television program "60 Minutes," in which Mr. Terpil asserted that they received favors from, among others, officials of the State Department's Passport Office.

\$135,000 Worth of Equipment

Today's indictment charges that Mr. Terpil, who is 42 years old, and Mr. Korkala, 41, violated Federal laws controlling the import and export of arms by delivering to the Ugandan Mission to the United Nations more than \$135,000 worth of items, including shotguns, handguns, silencers, high-velocity ammunition, voice-coding devices and "exercise twisters." The "exercise twisters," while not further described, presumably were devices used for torture.

Mr. Korkala, according to the indictment, delivered the equipment to the mission's building on East 45th Street, near First Avenue, from where the authorities believe it was shipped to Uganda under diplomatic seal or in Ugandan commercial aircraft.

Raymond Levites, the Assistant United States Attorney who presented the case to the grand jury, said Mr. Korkala had also delivered lead-lined packing sheets that could be used to insulate the shipments from detection by X-ray.

To facilitate this traffic, the indictment states, Mr. Korkala's Datsun automobile was provided with Ugandan diplomatic license plates.

Link to New Jersey Company

Mr. Korkala was said to have operated through a company that he owns, Amstech International Ltd., of Nutley, N.J. His wife and children still live in Nutley. Amstech is not registered with the Government to export arms or similar material, Mr. Levites said.

In a separate conspiracy listed in the indictment, Mr. Terpil, his wife and Mr. Korkala were accused of accepting \$3,000 from an Iranian high in the Shah's government to secure a passport and other travel documents for him.

The indictment charges that the defendants altered the photograph on a valid American passport and provided a false Lebanese passport. It is also charged that Mrs. Terpil posed as the Iranian's daughter on a visit to the Passport Office in Rockefeller Center.

The two conspiracy counts naming all three defendants carry prison terms up